

Eighth Annual All States Quality Forum

“Leadership through Systems, Measures and Tools”

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“Strategic Planning and Performance Measurement at New York State Taxation and Finance”

Starting with the Governor’s vision for a better New York State, we have used input from taxpayers, tax practitioners, stakeholders and employees to improve service delivery to our customers. We are doing this through the use of strategic planning, performance measurement, performance agreements and various other Total Quality tools.

Strategic Planning Process

- < **Development of the Department’s vision, mission, key service areas and values** In 1996, with direction and inspiration from Governor Pataki and our commissioner, and input and feedback from employees, the Department’s Executive Leadership Team formulated the strategic direction for our department. It was communicated to employees through cascading staff meetings, written documents and electronic messages. (Attachment A is the current version)
- < **Input from customers and stakeholders** In 1997 and 1999, we conducted a three-phased customer survey (written, phone and focus groups) to determine customer needs and expectations, and get feedback on how we were doing and suggestions for improvement. Additionally, numerous targeted internal or external customer surveys have been conducted during the past two years. We regularly meet with a Taxpayer Advisory Council (over thirty practitioner and business groups) to get their ideas and guidance for many pending and future initiatives. Additionally, we hold periodic regional meetings statewide where the Commissioner and agency leaders hear from all segments of the private sector.
- < **Input from our employees** since our employees are critical to the delivery of world class service to our customers, we regularly tap their collective expertise and creativeness. In 1997, we surveyed all employees to get their suggestions on what we could do to improve. Targeted surveys and focus groups are used regularly to hone in on specific needs.
- < **Strategic Planning Conferences** In October, 1997, and again in October 1998, over four hundred leaders, managers and employees gathered to listen to tax practitioners, stakeholders, agency leaders and staff on how we were doing and what we should improve. These conferences led to the development of four goals to help us accomplish our mission and vision, and generated hundreds of action items and commitments to accomplish those goals.
- < **Formation of project teams** Improvement opportunities identified and prioritized through the surveys or strategic planning process were or are being addressed in the course of regular work or through the formation of project teams and more focused efforts. Project teams were formed to improve communications, to identify tools and resources needed for doing one’s jobs, and identify and provide necessary training.
- < **Development of tactics** In 1999, we revised our goals and focused on developing strategic objectives, strategies and tactics to accomplish those goals. Hundreds of managers and staff generated over 2000 tactics. A sub-team of tactical managers then sifted through and prioritized tactics and identified thirty-nine tactics for inclusion in our strategic plan for the next three years. We developed high-level versions for tax practitioners and other customers and employees, in booklet, pamphlet and web site formats (Intranet and Internet http://www.tax.state.ny.us/Strategic_Plan). These were distributed to all employees and are shared with tax practitioners and customers on an ongoing basis. Operational plans were then developed to support ongoing work and tactics identified in the strategic plan.
- < **Development and use of performance measures** Tactical output and desired outcome results are being captured through our performance measurement program. (See page 3.)

Recent Achievements:

As a result of our enhanced customer focus and collaboration with our customers, many changes have already occurred.

- < reduced the volume of regulations by twenty-five percent
- < created a web site with interactive features to enable taxpayers to obtain many forms and reliable information more easily
- < utilized state of the art call center technology that allows us to more effectively and efficiently handle taxpayer inquiries
- < decreased the time it takes to issue refunds and resolve protests , for example, created “one-stop” telephone resolution for Income Tax assessments and adjusted refund protests and reduced the time for resolving them from 126 days to 4 days
- < simplified or eliminated many filing requirements, for example, some forms may now be filed by phone or via the Internet
- < expanded the use of computers and the taxpayers’ computerized records during audits to effect a decrease in taxpayer intrusion

Sample of feedback received from taxpayers and practitioners:

- < “You get thumbs up, again. I REALLY like the forms search option you have added to the forms page. I think that feature will save me hours on a monthly basis. Thanks!”
- < “Your web page looks great and I find it very thorough and easy to get around in. Thanks for doing such a nice job. It is really helpful.”

Sample Tactics for 2000-2003:**Empower Customers:**

- < Provide 24x7x365 access to Department services and information via the Internet
- < Give customers the ability to update certain account information via the Internet
- < Expand call center hours and provide Department representatives with quick and easy access to information they need to assist customers.
- < Make personal income tax and corporation tax returns easier to understand and complete

Expand Customer Choices:

- < Provide the option to make payments by electronic funds transfer and credit card
- < Expand opportunities to Tele-file tax returns
- < Provide the option to file now, pay later via electronic means

Advance Employee and Organizational Excellence

- < Ensure employees have the tools and resources they need to serve our customers
- < Complete implementation and integration of our quality management programs

Sample Measures of Success:

- < Increased number of taxpayers accessing the Department via the Internet
- < Increased interactions with the Department without intervention of Department staff
- < Improved customer perception regarding ease of filing and getting answers to their questions
- < Increased percentage of customers paying electronically or by credit card
- < Increased employee satisfaction with their ability to meet customer needs

Performance Agreements

- < **Management accountability through performance agreements** Agency managers and leaders have entered into performance agreements, which focus on three areas: promoting leadership, building capacity and managing performance. These areas are aligned with the strategic direction of the agency, both externally and internally. Each manager negotiates individual expectations for promoting leadership and building capacity and organizational objectives and measures for managing performance, and meets to discuss progress, obstacles and plans on a quarterly basis. This effort started in Spring, 2000.

Performance Measurement Program

Performance Measurement is a management program that uses measures to plan, monitor, and evaluate results to improve performance, achieve objectives and ensure accountability.

Why do we measure?

The focus of our Performance Measurement Program is on providing services to taxpayers and their agents “better, faster, cheaper and smarter.”

Where do we measure?

We are currently aligning the program to our strategic and operational planning activities. Program key results areas are:

- < Effective service delivery,
- < Efficient customer service and operating processes,
- < External and internal customer satisfaction, and
- < Compliant taxpayers who pay their fair share of taxes with minimal intrusion from the Department.

What do we measure?

Key measurement areas are:

- < Timeliness
- < Accuracy
- < Scheduled vs. completed
- < Cost
- < Customer perception
- < Work life quality

Performance Measurement Process

- < At the strategic level, the Department’s Executive Leadership Team formulated the Department’s vision, mission, key service areas and values, determined our key measurements area (KMA’s), and determined some critical key measures for each KMA.
- < At the operational level over thirty program and operational-level teams within our “processing services,” “enforcement/compliance services,” and/or “internal support services” used or are using the strategic level mission, key services areas, KMA’s and measure as a starting point to:
 - S Identify their purpose statements, key services, and measures
 - S Identify the data sources for the measures
 - S Align measures within and across work units and program areas

- S Collect data, report the data, and use the measures to determine how well they are achieving intended results

- < A performance measurement guidance team and implementation team provides direction and coordination services to insure efficient and effective data collection, refinement of measures and reporting of results.

Overall progress to date:

- < Provided executive overview
- < Developed and communicated Vision, Mission, Key Service Areas and Values statements
- < Identified key services and strategic measures
- < Provided performance measurement overview to 4,000+ employees
- < Developed tactical (program) level purpose statements, key services, and measures
- < Created standards and targets for measures
- < Developed a data system to enable us to track and report on the measurement data at all Department levels
- < Initiated pilots for data gathering and reporting
- < Developed service cost methodology
- < Tracked cost by service and are about to begin to measure the cost in relation to specific service delivery expected results
- < Began to create accountability structures
- < Began using measures to improve performance
- < Began alignment process

Direction for 2000-2001:

- < Use measures to pinpoint improvement opportunities
- < Use database for collecting and reporting data on measures
- < Refine and revisit measures
- < Implement service cost methodology
- < Implement measures in support areas
- < Continue bench-marking with other states' performance measurement programs

Lessons learned:

- < Gain support from the top
- < Focus on results
- < Involve customers and stakeholders
- < Involve employees and unions
- < Analyze using "Family of Measures" concept
- < Measure to improve, not to keep score
- < Develop simple reporting system
- < Paint true picture, then adjust
- < Align, align, align
- < Stay the course

For more information on the New York State Department of Taxation and Finance Strategic Planning process or Performance Agreements, contact [Judy Thomson@tax.state.ny.us](mailto:Judy_Thomson@tax.state.ny.us) or telephone at (518) 485-0221 or on Performance Measurement Program contact [William Manning@tax.state.ny.us](mailto:William_Manning@tax.state.ny.us) or telephone at (518) 457-5567.

New York State Department of Taxation and Finance

VISION

An agency that provides a fair system of tax administration, is accessible and responsive to taxpayers, and contributes to a favorable economic climate.

MISSION

Collect tax revenue and provide associated services in support of government services in New York State.

KEY SERVICE AREAS

Processing Services - Facilitating voluntary compliance; receiving and recording tax returns, documents and remittances; issuing refunds; and distributing funds to State and local governments.

Compliance/Enforcement Services - Identifying and addressing errors, non-filers, and civil and criminal violators of the tax system. This is done through audit, investigation, collection, and dispute resolution activities.

VALUES

We are dedicated to:

Service excellence - We continuously strive to improve the quality and delivery of services to meet or exceed customer expectations.

Integrity - We accept responsibility and accountability to take actions consistent with our organization's vision, mission, values and goals.

Treating everyone with respect and civility - We appreciate the opinions, contributions, and concerns of others. We always conduct ourselves in a courteous and helpful manner.

Maintaining a skilled, well-trained work force - We recruit and retain competent staff and invest in their development and motivation by providing appropriate opportunities, training, and tools.

Encouraging initiative and recognizing contribution - We encourage initiative by focusing recognition and rewards on the contributions of employees towards our vision, mission, values and goals. We also recognize the contributions of others outside the Department.

GOALS

- 1? Promote fair tax administration.
- 2? Improve services to customers.
- 3? Build organizational capacity.